Cablefax Daily

WHAT THE INDUSTRY READS FIRST

Rookie Season: Monumental's Zach Leonsis Still Confident in RSN Value

NBC Sports Regional Networks' portfolio drops to six, with **Monumental Sports & Entertainment** announcing a deal to acquire 100% of **NBC Sports Washington** from **Comcast NBCUniversal**. Since 2016, MSE has owned 33% of the RSN, which has the local rights to games for the Monumental-owned NBA Wizards and NHL Capitals. The network is available throughout D.C., Maryland and Virginia, as well as parts of Pennsylvania, Delaware and West Virginia. With the deal expected to close in late September, **Cablefax** spoke with *Zach Leonsis*, President of Media & New Enterprises for Monumental, about the road ahead.

There is a lot of uncertainty surrounding the traditional RSN model—will the leagues step in to take things over-the-top or will the teams play a bigger role. Obviously, you must feel pretty good about the future to do this deal. What do you see as the value proposition?

Fundamentally, this is an opportunity for us to bet on the value of our own live rights. While the RSN industry has been under pressure, we really believe that the live value of our rights continues to increase. We get great perspective from our league offices and the like of how they're thinking about live rights with current and new and emerging digital partners as well. We think it's really highly strategic for us to be owning our own destiny moving forward. We've always been an organization that sought to innovate and enhance the fan experience. The opportunity to provide a cohesive experience across all of our platforms, including our network moving forward, is a really exciting one for us. And we think we can do a lot more than what's being done today to.

We've seen some RSNs face a tougher road when they don't have other networks to leverage in carriage negotiations. Altitude Sports comes to mind. Do you have any concerns about getting carriage deals done? And do you have any assurances from Comcast that they will continue to carry the network?

Obviously, the contents of distribution deals are highly sensitive and confidential, so we won't be commenting on those. We do really believe in the strength of our fanbase and obviously the value of our live rights. We've always had great programming that fans have tuned in for. As we look forward, [Capitals captain] Alex Ovechkin is going to be chasing the NHL goal record. And we believe that we can be building a great basketball team here in the NBA as well. So live sports programming is the last frontier of live, appointment viewing. It's certainly still a staple in the cable bundle.

You have a streaming offering through Monumental Sports Network that shows WNBA Mystics games and NBA G League's Capital City Go-Go games. Is there a plan to create a larger direct-to-consumer option with this deal?

We obviously want to be very thoughtful about how we roll out any sort of digital streaming plans. We want to work very collaboratively and thoughtfully with our distribution partners

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Print Issues Distributed at the Hall of Fame Dinner on Sept. 15

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on ever getting to that point. But clearly, the future of sports rights is going to be inclusive of digital options. We don't have any plans to announce today. We're going to take some time to really design and build out our new digital platforms, see what capabilities we may want to include there, and we may announce something at a later date.

Beyond the upcoming rebrand of the channel, will viewers really get a sense that there's been a change in ownership of network?

For the next upcoming regular seasons, the network will look and feel very similar to how it has in previous years. It's likely that prior to the 23-24 season that we would really be introducing a lot of change, and people would really notice a difference. We have our own production group and production facilities in house. We already produce hundreds of live games and hundreds of hours of original programming closer to our teams. We really look forward to sitting down with network leadership and rationalizing, consolidating a lot of the joint content efforts that we have.

Comcast employees become part of Monumental Sports when the deal closes. Does that mean there will be some consolidation and layoffs?

No eliminations. We're really excited to welcome all NBC Sports Washington personnel into Monumental. We plan to onboard them on Day 1 post close. And it's 60 or so employees. A lot of them we are highly familiar with already and again, it's part of the reason why we're so confident in pursuing the acquisition. [GM Jackie Bradford is also GM for NBC4 and Telemundo Washington and will stay with Comcast NBCU. Leonsis plans to announce a new GM for the venture shortly].

Sports betting seems to be the next frontier for most RSNs. Any plans you can share there?

We've been deeply involved in and longtime investors in the sports betting industry from our experience with companies like Sportradar and DraftKings. We were the very first arena in North America to have a sportsbook within our four walls. Just two floors below where I'm sitting here is a 25,000 square foot sports book produced by Caesars Sportsbook. We definitely think there's a lot of upside to achieve in terms of developing alternate feeds and the like. We actually experimented with NBC Sports Washington a couple of years before the pandemic on some alternate gaming feeds. I think as we sit down and really start to think about a content and programming slate ahead, alternate feeds and providing gamified experiences of linear and digital will definitely be a key priority for us.

TNF GETS MVPD DEAL

Amazon and **DirecTV** reached a multi-year agreement to bring **Prime Video**'s NFL Thursday Night Football broadcasts to over 300,000 restaurants, hotel lounges, casinos and other locations across the U.S. The deal is through DirecTV for Business and is aimed at delivering telecasts to more local venues on top of the national chains. Current DirecTV for Business customers subscribed to the Business Entertainment, Business Xtra, Commercial Entertainment, Commercial Xtra, Commercial Choice PLUS or Commercial Mas Ultra plans will automatically get the Prime Video feed on channel 9526 at no added cost.

TWITTER UNDER FIRE AFTER WHISTLEBLOWER Sen. Ed Markey (D-MA) is calling on the FTC and the DOJ

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to respond to whistleblower allegations that Twitter misled investors, users and federal regulators when discussing the platform's security risks. This comes after the Washington Post reported Tuesday on a whistleblower complaint filed with the SEC, FTC and the DOJ last month by Twitter's former security head Peiter Zatko. He alleged thousands of the company's employees had internal access to core software that was poorly tracked and, when exploited, would allow them access to the accounts of high-profile users. He also claimed Twitter violated the terms of a settlement finalized in 2011 with the FTC resolving allegations of lapses in its data security that allowed hackers to take administrative control of the service and access to user information. The FTC ordered Twitter to pay \$150 million in civil penalties in May for violations of that settlement, alleging the social media platform used the phone numbers and email addresses users submitted for multi-factor authentication purposes to serve them targeted ads. "Taken together, Zatko's allegations, the DOJ and FTC complaints, and the repeated security incidents illustrate a company that prioritizes profit over users and has allowed a culture of impunity to reign supreme," Markey said in letters to FTC Chair Lina Khan and Attorney General Merrick Garland. "This blithe disregard for user data and FTC settlements cannot stand."

NTIA AWARDS MORE TRIBAL GRANTS

NTIA awarded seven more grants totaling more than \$118.8 million as part of its nearly \$3 billion Tribal Broadband Connectivity Program Tuesday. South Dakota's Rosebud Sioux Tribe came out as the big winner, being awarded \$48.35 million to install a fiber and LTE network directly connecting 1,526 unserved Native American households with FTTH and/ or fixed wireless service. Other winners included the Shoshone Bannock Tribes, the Chippewa Cree Tribe, Nebraska Indian Community College, the Omaha Tribe of Nebraska, the Oglala Sioux Tribe and the Red Cliff Band of Lake Superior Chippewa. NTIA plans to release an additional Notice of Funding Opportunity for the remaining funds later this year and will hold listening sessions with Tribal leaders in September to solicit their input.

CORNING ADDS MORE TO EVOLV

Corning is expanding its Evolv connectivity portfolio again to support additional stages of fiber deployment. They include the augmented reality app Evolv AR Visualizer allows operators to show how terminals will be placed prior to deployment, which can facilitate faster permit approvals. New Evolv terminal options and terminal-port reflectors are designed for easy installation, minimal aesthetic impact and automated monitoring. Corning will highlight the portfolio this week at the ISE Expo in Denver.

FTC CRACKING DOWN ON KIDS' ADVERTISING

The **FTC** is seeking additional public comment on how kids are affected by digital advertising as well as marketing messages that live in the gray area between ads and entertainment. The Commission will also hold a virtual event on Oct. 19 to

discuss protecting children from stealth advertisers. To allow for comments to be submitted after the event, the FTC will accept submissions until Nov. 18.

BREEZELINE BRINGS IPTV TO THREE MORE AREAS

Breezeline has introduced its IPTV service to Cumberland, Maryland and the communities of Davis and Green Spring, West Virginia. Breezeline Stream TV promises up to 300 hours of cloud DVR, voice command capabilities and access to streaming apps, live and On Demand programming. It is available for new Breezeline TV customers in serviceable areas with a Breezeline internet connection.

HISENSE UNVEILS ATSC 3.0 TVS

Hisense released two new NEXTGEN TV-compatible models Tuesday, joining a marketplace that includes Sony, Samsung and LG. The pricing for the models, the U7H and the U8H, starts at \$799 MSRP.

FIBER FRENZY

Vexus Fiber's FTTH network is now available to thousands of homes in the San Angelo, Texas, area. By 2023, the provider hopes to bring service to more than 10,000 homes in the region.

RATINGS

Fox News came out on top in weekly primetime and total day ratings. It averaged 2.34 million viewers P2+ in prime, followed by **MSNBC** at 1.36 million and **ESPN** at 887,000. HGTV and Hallmark Channel completed the prime top five with 872,000 and 870,000 viewers, respectively. Fox News' 1.48 million total day viewer mark is slightly down from last week's 1.67 million, but it came ahead of MSNBC (822,000), CNN (564,000), HGTV (479,000) and Hallmark Channel (470,000). -- HGTV's "Ugliest House in America: Ugly in Paradise" averaged .59 L+3 rating in P25-54 and .77 in W25-54, showing ratings gains of 90% and 103%, respectively, over the past six weeks. The show has garnered nearly 10 million viewers since its July 24 premiere and checked in as a top-five cable program in P25-54, W25-54, upscale P25-54 and upscale W25-54 in the Sunday 8pm-9pm timeframe. Monday's game between the New York Mets and New York Yankees was the second-most viewed Subway Series game ever on YES Network. The telecast averaged 617,000 total viewers in the New York DMA, peaking at 703,000 during the 8:45pm-9pm window. This season, YES' Yankees broadcasts are up 21% YOY with an average of 352,000 total viewers.

PROGRAMMING

HBO renewed "Curb Your Enthusiasm" for a 12th season. – This year's iteration of **Tennis Channel**'s "Tennis Channel Live at the U.S. Open" will begin Monday at 9am and air every day through Sept. 7. The show will also have championship weekend programs on Sept. 10 and 11 starting at 7pm. All of Tennis Channel's U.S. Open coverage can be found via the network's app. – **CNN**'s "The Murdochs: Empire of Influence" will debut Sept. 25 at 9pm with two episodes. The seven-part series highlighting the Murdoch family and their legacy in the media industry will air Sundays at 10pm.